APPENDIX 1.a

The Example of the Calculation for SUN Purchase Bid Winner

SOR and *Multiple Yield* for SUN INDOGB 12 10/10

Indication Target : Rp.6 Quintillion

Yield Target : 12% (99.962%)

Detail of the Bid :

NO	BIDDING OFFER							RESULT	
	NOMINAL (RP BILLION)	CUMULATIVE (RP BILLION)	CUMULATIVE (%)	YIELD (%)	PRICE (%)	RRT YIELD (%)	RRT PRICE (%)	WON NOMINAL (RP BILLION)	CUMULATIVE (RP BILLION)
1	250	250	3.45	12.20	99.067	12.20	99.07	250	250
2	750	1,000	13.79	12.15	99.290	12.16	99.23	750	1,000
3	1,500	2,500	34.48	12.10	99.513	12.13	99.40	1,500	2,500
4	250	2,750	37.93	12.05	99.737	12.12	99.43	250	2,750
5	2,000	4,750	65.52	12.00	99.962	12.07	99.66	1,733	4,483
6	500	5,250	72.41	12.00	99.962	12.06	99.68	433	4,917
7	1,250	6,500	89.66	12.00	99.962	12.05	99.74	1,083	6,000
8	250	6,750	93.10	11.90	100.413	12.04	99.76	0	6,000
9	450	7,200	99.31	11.85	100.640	12.03	99.82	0	6,000
10	50	7,250	100.00	11.80	100.868	12.03	99.82	0	6,000

If the number of entry bidder is more than the indicative target, not all of them will win the bid. The winner of the bid will be decided as follows:

1. The winner of the bid is the participant who offers the same yield or above the SOR (stop – out rate), which is 12% (price = 99.962%). Therefore, the winner of the bid is the participants whose yield offer is more than 12%, which are participants 1 to 7;

2. Participants 5 to 7 won the bid proportionally based on the value of each of their offers compared to the amount of bidding for 12% yield. The example of the acquired nominal value won by participant 5 is as follows:

   Participant 5 = (2.000 : (6.500-2.750)) x (6.000 – 2.750) = 1.733 billion.

APPENDIX 1.b

The Example of the Calculation for SUN Purchase Bidding Winner

SOR and *Multiple Yield* for SUN INDOGB 12 10/10

Indicative Target : Rp.6 Quintillion

Yield Target : 12% (99.962%)

Details of Bidding :

NO	BIDDING OFFERS							RESULT	
	NOMINAL (RP BILLION)	CUMULATIVE (RP BILLION)	CUMULATIVE (%)	YIELD (%)	PRICE (%)	RRT YIELD (%)	RRT PRICE (%)	WON NOMINAL (RP BILLION)	CUMULATIVE (RP BILLION)
1	50	250	3.36	11.85	100.640	11.85	100.64	50	50
2	450	700	9.40	11.90	100.640	11.88	100.64	450	500
3	250	950	12.75	11.95	100.187	11.90	100.52	250	750
4	1,250	2,200	29.53	12.00	99.962	11.96	100.20	1,148	1,898
5	500	2,700	36.24	12.00	99.962	11.96	100.16	459	2,357
6	2,000	4,700	63.09	12.00	99.962	11.98	100.07	1,836	4,193
7	250	4,950	66.44	12.00	99.962	11.98	100.07	230	4,423
8	1,500	6,450	86.58	12.00	99.962	11.99	100.04	1,377	6,000
9	750	7,200	96.64	12.10	99.513	12.00	99.99	0	6,000
10	250	7,450	100.00	12.15	99.290	12.00	99.97	0	6,000

If the number of entry offers is more than the indicative target, not all participants will win the bid. The winner of the bidding is concluded as follows:

1. The winner of the bid is the participants whose offers are of the same or yield or below the SOR (stop – out rate), which is 12% (price = 99.962%). Therefore, the bidding winner is the participants whose yield offer are less than 12%, participant 1 to 8;
2. Participants 4 to 8 won the bidding proportionally, based on each of their offers compared to the offers for 12% yield. The details of the won amount evenly might be seen at the table above. The example of the nominal value calculation won by participant 4 is as follows:

   Participant 4 = (1.250 : (6.450-950)) x (6.000 – 950) = 1.148 billion.

APPENDIX 2

The Calculation of Settlement Buying/Selling Price of SUN by Bank Indonesia

The settlement price per unit is calculated as follows:

Ps = (P% x N) + AI

Whereas,

$$P = \left[\frac{N}{[1+ i/n]^{((F-1+d/E))}}\right] + \left[\sum_{k-1}^{F} \frac{N \text{ x } c/n}{[1+i/n]^{((k-1+(d/E))}}\right] - [\text{ N x c/n x a/E}], \text{ dan}$$

AI = N x c/n x a/E

Notes::

Ps = Settlement price per unit;
P = SUN clean price per unit;
P% = SUN clean price per unit in percentage up to 5 decimals;
N = SUN at par nominal per unit;
AI = SUN accrued interest per unit based on the actual calculation;
c = Coupon rate in percentage;
i = Yield to maturity in percentage up to 4 (four) decimals;
n = Frequency of coupon payment in a year;
a = Actual days calculated 1 (one) day after the starting period of coupon until the date of the settlement;
d = Actual days calculated 1 (one) day before the date of the settlement until the date of the coupon payment;

E = Actual days calculated since 1 (one) day after the starting date of the coupon period until the date of the next payment of the coupon, wherein the settlement takes place.

F = The calculated frequency of coupon payment left from the date of the settlement until the due date.

k = 1,2,3,... F

An Example of the Calculation

On April 14th, 2004, with the same daya method of settlement, Bank Indonesia bought/sold FR005 series of SUN with a nominal value per unit of Rp. 1,000,000,00 (one million rupiahs) with a 12,125% (twelve point a hundred and twenty five percent) coupon per year. This SUN is due on February 15th, 2006 and the coupon is paid in deferred by February 15th and August 15th every year. If the offered yield is 8,21000% (eight point twenty one thousand percent) and the settlement was done on April 15th, 2004, then the settled price for SUN per unit shall be calculated according to the following steps:

N = Rp 1.000.000,00 (one million rupiah);

c = 12,125% (twelve point one hundred and twenty five percent);

i = 8,21000% (eight point twenty one thousand percent);

n = 2 (twice) a year (semianually), on February 15 and August 15;

a = 59 (fifty nine) days, which is the actual number of days calculated since 1(one) day after the starting date of the coupon period (February 16th, 2004) until the date of the settlement (April 14th, 2004);

d = 123 (one hundred and twenty three) days, which is the actual number of days calculated since 1 (one) day after the date of the settlement (April 15th, 2004) until the next payment date of the coupon (August 15th, 2004);

E = 182 (one hundred and eighty two) days, which is the actual number of days calculated since 1 (one) day after the starting date of the coupon period until the date of the next coupon payment on which the settlement

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takes place (February 16th, 2004 until August 15th, 2004);

F = 4 (four) times, which is the calculated coupon left since the date of the settlement until the due date;

k = 1,2,3, ...F

Step 1. Net price per unit is calculated as follows:

$$P = \left[\frac{Rp1.000.000}{[1+8,21000\%/2]^{((4-1+(123/182))} } \right] + \left[\sum_{4-1}^{4} \frac{Rp1.000.000x12,125\%/2}{[1+8,21000\%/2]^{((k-1+123/182))}} \right] - [\, Rp1.000.000 \times 12,125\%/2 \times 59/182]$$

$$P = \left[\frac{Rp1.000.000}{[1,04105]^{(3,6758)}} \right] + \left[\sum_{4-1}^{4} \frac{Rp1.000.000x12,125\%/2}{[1+8,21000\%/2]^{(k-1+123/182)}} \right] - [\, Rp1.000.000 \times 12,125\%/2 \times 59/182]$$

= Rp 862.536,56 + Rp 222.400,54 - Rp 19.653,16

= Rp1.065.283,94

or the nett price of SUN per unit in percentage:

= Rp1.065.283,94/Rp1000.000,00X100%

= 106,52839%

Therefore, the nett price of SUN per unit was rounded to be Rp. 1.065.283,94 (one million sixty five thousand two hundred and eighty three rupiahs point ninety four cent) or 106,52839% in percentage.

Whereas the accrued interest per unit is as follows:

AI = Rp 1.000.0000 x 12,125%/2 x 59/182

= Rp 19.653,16

Step 2: The settlement price per unit is calculated as follows:

Ps = (106,52839% x Rp1.000.000,00) + Rp 19.653,16
= Rp 1.065.283,90 + Rp 19.653,16
= Rp 1.084.937,06
≈ Rp 1.084.937,00

Therefore, the settlement price of SUN per unit after being rounded is Rp. 1.084.937,00 (one million eighty four thousand nine hundred and thirty seven rupiahs).